

2140-0015  
January 2020  
Expires 9/30/2020

**SUPPORTING STATEMENT  
FOR REQUEST FOR OMB APPROVAL  
UNDER THE PAPERWORK REDUCTION ACT AND 5 C.F.R. § 1320**

The Surface Transportation Board (STB or Board) requests a modification and a three-year extension of approval of the regulations governing the collection of the **Waybill Sample**.

**A. Justification.**

1. Why the collection is necessary. The Surface Transportation Board is, by statute, responsible for the economic regulation of common carrier freight railroads and certain other carriers operating in the United States. In this capacity, the Board often uses the information in rail-carload waybills to carry out its responsibilities. A carload waybill is a “document or instrument prepared from the bill of lading contract or shipper’s instructions as to the disposition of the freight, and [is] used by the railroad(s) involved as the authority to move the shipment and as the basis for determining the freight charges and interline settlements.” 49 C.F.R. § 1244.1(c). From these carload waybills, the Board creates an aggregate compilation of the sampled waybills of all reporting carriers, referred to as the Waybill Sample. The Waybill Sample is the Board’s principal source of data about freight rail shipments. It has broad application in, among other things, rate cases, the development of costing systems, productivity studies, exemption decisions, and analyses of industry trends. The Board has authority to collect this information under 49 U.S.C. §§ 11144, 11145.

The information in the Waybill Sample is used by the Board, other federal agencies (the Department of Transportation, the Department of Energy and the Department of Agriculture, for example), and industry stakeholders to monitor traffic flows and rate trends in the industry and to develop evidence in Board proceedings. The Waybill Sample is also a major source of information for states developing state transportation plans. In addition, non-government groups seek access to Waybill Sample data for such uses as market surveys, forecasts of rail-equipment requirements, economic analyses and forecasts, and academic research.

2. Why the modification is necessary. This modification request stems from the Board’s proposed rule to amend its regulations with respect to the Waybill Sample data that railroads are required to submit to the Board. Waybill Sample Reporting, EP 385 (Sub-No. 8) (84 Fed. Reg. 65768 (Nov. 29, 2019)) (Waybill Sample NPRM). The proposed amendments to the Waybill Sample regulations would simplify the sampling rates of non-intermodal carload shipments and specify separate sampling strata and rates for intermodal shipments. More specifically, the proposed rule would adjust the waybill sampling rate for carriers using the computerized system of reporting by increasing the sampling rates for most smaller shipments (with 1 to 15 carloads per waybill) and decreasing the sampling rates for larger shipments (with 16 or more carloads per waybill). The changes in sampling rates is intended to provide a more comprehensive sampling of waybills that would improve the utility of the Waybill Sample for both the Board

and other users of waybill data in a variety of contexts (e.g., increasing the reliability of parties' evidentiary presentations in certain rate reasonableness proceedings), in support of the rail transportation policy goals of 49 U.S.C. § 10101. See 49 U.S.C. § 10101(2), (4), (6), (13).

3. Extent of automated information collection. Respondents may report electronically, and the clear majority of respondents do so. Currently, electronic filers submit flat text files to the Board through an STB contractor, using the FTP or MQ protocol. The instructions for the Waybill Sample, "Procedure for Sampling Waybill Records by Computer," are available on the Board's website at <https://stb.gov/reports-data/waybill/>. Respondents may also contact Pedro Ramirez by phone at (202) 245-0333 or email at Pedro.Ramirez@stb.gov to get instructions for submitting the Waybill Sample electronically or in paper hard copy.

4. Identification of duplication. This information is not duplicated by any other agency. The Board is the only source of waybill information.

5. Effects on small business. The Board requires a railroad to file carload waybill data for all line-haul revenue waybills terminated on its lines if: (a) it terminated at least 4,500 revenue carloads in any of the three preceding years; or (b) it terminated at least 5% of the revenue carloads terminating in any state in any of the three preceding years. 49 C.F.R. § 1244.2. In addition, a carrier need only report quarterly (rather than monthly) if it submits computerized (rather than paper) Waybill Samples or if it submits less than 1,000 waybills per year.

6. Impact of less frequent collections. The Waybill Sample may be submitted monthly, quarterly, and annually, depending on the size of the rail carrier required to submit waybill data. Less frequent collection would impede the access by government regulators and private stakeholders to timely information about the industry.

7. Special circumstances. No special circumstances apply to this collection. (Note: Although 49 C.F.R. § 1244.6 states that railroads submitting computerized Waybill Samples are required to retain copies of the underlying waybills for four years, that retention period conflicts with the one-year retention period for waybills provided in § 1220.6. The agency has treated § 1220.6 as controlling in this matter.)

8. Compliance with 5 C.F.R. § 1320.8. As required, the Board published its proposed rule change in Waybill Sample NPRM (84 Fed. Reg. 65768 (Nov. 29, 2019)), which provided for a 60-day comment period (and an additional 30-day period for reply comments through Feb. 27, 2020) regarding this collection, with specific reference to concerns detailed in the Paperwork Reduction Act, 44 U.S.C. §§ 3501-3521 and Office of Management and Budget (OMB) regulations at 5 C.F.R. § 1320.8(d)(3).

9. Payments or gifts to respondents. The Board does not provide any payment or gift to respondents.

10. Assurance of confidentiality. The Board recognizes that some of the submitted information is commercially sensitive, and thus the Board's regulations place limitations on releasing

Waybill Sample data. See 49 C.F.R. § 1244.9.

11. Justification for collection of sensitive information. No sensitive information of a personal nature is requested.

12. Estimation of burden hours for respondents.

(1) Number of respondents: 53. The Board requires some railroads to report Waybill Sample data on a quarterly basis, while it requires others to report on a monthly basis. The Board also permits railroads either to sample their own waybills or to have a third party conduct their sampling. The number of respondents for each category is set forth in Table 1 below.

*Table 1 – Respondents*

Categories of Respondents*	Number of Respondents
Railroads that conduct their own sampling and report monthly	5
Railroads that conduct their own sampling and report quarterly	3
Railroads that have a third party sample their waybills and report monthly	2
Railroads that have a third party sample their waybills and report quarterly	43
Total Respondents	53

\* Respondents that are identified as reporting monthly actually report monthly, quarterly, and annually (or 17 times per year). All other respondents report quarterly and annually (five times a year).

(2) Frequency of response: Eight (8) respondents report monthly, quarterly, and annually; 45 report quarterly and annually

(3) Annual hour burden for all respondents: 774.6 hours. This estimated total burden hours is shown in Table 2 below.

*Table 2 – Total Burden Hours*

Categories of Respondents	Number of Respondents	Estimated Annual Hours for Samples Submitted (unchanged)	Estimated Annual One-Time Hour Burden (Amortized over 3 Years)	Total Annual Hour Burden
Railroads that conduct their own sampling and report monthly	5	212.5	133.3	345.8
Railroads that conduct their own sampling and report quarterly	3	37.5	80.0	117.5
Railroads that have a third party sample their waybills and report monthly	2	42.5	0**	42.5
Railroads that have a third party sample their waybills and report quarterly	43	268.8	0**	268.8
Totals	53	561.3	213.3	774.6

\*\* The Board pays for the third-party contractor to prepare samples. There is no one-time hourly or non-hourly burden to these railroads due to the proposed changes.

13. Other costs to respondents. No “non-hour cost” burdens associated with this collection have been identified. Waybills are created by rail carriers in the normal course of business. Thus, this collection does not require additional record keeping.

14. Estimated costs to the Board. The Board contracts out the collection of the Waybill Sample. The annual cost of the contract is \$179,599 (based on a three-year average cost).

15. Changes in burden hours. Based on staff’s estimates, the change in reporting procedures due to the NPRM would only apply to the eight railroads conducting their own sampling and would result in an estimated one-time burden of approximately 80 hours per railroad. Otherwise, the burdens would remain the same.

16. Plans for tabulation and publication. Waybill-Sample data, aggregated at the industry level to protect commercially sensitive information (and referred to as the Public Use Waybill Sample), is available on the Board’s website, [www.stb.gov](http://www.stb.gov) (under Industry Data/Economic Data/Waybill).

17. Display of expiration date for OMB approval. The expiration date appears on the instruction document for the collection, which is posted on the Board’s website.

18. Exceptions to Certification Statement. Not applicable.

**B. Collections of Information Employing Statistical Methods.**